

CENTRAL INTELLIGENCE AGENCY

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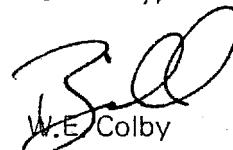
November 7, 1973

The Honorable Robert D. Murphy, Chairman
Commission on the Organization of the Government
for the Conduct of Foreign Policy
2025 M Street, N.W.
Washington, D.C. 20506

Dear Ambassador Murphy:

In response to your letter of October 15 I have developed the attached statement which provides an overall response to the matters you suggested for coverage in my presentation to the Commission in November. I developed this in unclassified form, as I believed it the most useful vehicle to stimulate future questions and thoughts by the Commission members in the actual hearing. I am certainly prepared to go into classified matters during the hearing itself, or in any follow-up studies of more detail which might be needed as you proceed toward your final report.

Sincerely,


W.E. Colby
Director

EXECUTIVE REGISTRY FILE

E-18

STATEMENT BY THE DIRECTOR OF CENTRAL INTELLIGENCE

First, let me confirm your assumption about what the national intelligence program is. Our intelligence process includes the collection and analysis of information in order to produce what we call "finished intelligence." We use overt, covert, technical, human, passive, and active collectors. The information collected is then "processed"--that is, it is recorded, compared with other information, and subjected to the appropriate techniques of scientific examination such as photographic interpretation, electronic analysis, and decryption. This "processing" of information is followed by what we call the "production" of "finished" intelligence -- in the form of reports, studies, and estimates which reflect the highest intellectual evaluation which we can bring to bear upon all the bits and pieces of fact and impression at our disposal. The entire intelligence process which I have described relates to foreign intelligence and counterintelligence, although a number of steps in the process obviously have to take place in the United States. In addition to collection, processing, and production, from time to time CIA also conducts other activities related to intelligence affecting the national security, as directed by the National Security Council.

The current organization of the Intelligence Community is reflected in the President's directive of 5 November 1971. It called for the following:

- That the Director of Central Intelligence (DCI) provide leadership to all foreign intelligence activities of the United States Government.
- That there be established a National Security Council Intelligence Committee (NSCIC).* The purpose of the NSCIC is to give direction and guidance on national substantive intelligence

*Members are: The Assistant to the President for National Security Affairs (Chairman), the Under Secretary of State, the Deputy Secretary of Defense, the Chairman of the Joint Chiefs of Staff, and the DCI.

needs and to provide for the continuing evaluation of intelligence products from the viewpoint of the intelligence consumer.

- That the Intelligence Resources Advisory Committee (IRAC) be formed.* This Committee is advisory to the DCI in his management role. It helps him develop the annual National Foreign Intelligence Program Budget Recommendations which are sent by the DCI to the President--Recommendations which may concern any of the foreign intelligence expenditures of the United States Government.
- That the United States Intelligence Board (USIB)++ be reconstituted to include a representative of the Secretary of the Treasury, and that it continue to advise and assist the DCI in his substantive leadership role with respect to the Intelligence Community.

Not addressed by that directive but continuing to operate is the so-called Forty Committee.*** This body provides policy guidance on activities related to intelligence affecting the national security, as directed by the National Security Council.

*Members are: the DCI (Chairman), and one senior representative each from the Department of Defense, the Department of State, the Office of Management and Budget, and CIA.

**Members are: The DCI (Chairman); the DDCI; the Director of the Bureau of Intelligence and Research, State Department; the Director of the National Security Agency (NSA); the Director of the Defense Intelligence Agency (DIA); representatives of the Secretary of the Treasury, the Federal Bureau of Investigation, and the Atomic Energy Commission.

***Members are: The Assistant to the President for National Security Affairs (Chairman), the Under Secretary of State for Political Affairs, the Deputy Secretary of Defense, the Chairman of the Joint Chiefs of Staff, and the DCI.

In his letter to me of 15 October, Chairman Murphy outlined a number of specific subjects which he wished me to address in my statement and in follow-up studies of the Commission. I have generally keyed the following remarks to the numbered sections of that letter.

(1) Authority

The National Security Act of 1947, certain additional legislation, and the National Security Council Directives provided for in law are the authorities under which the national intelligence program operates. The legislation is currently being re-evaluated by the Congress, and it may be that some modifications will be made. To the extent that any changes further limit the national intelligence activities in which the DCI is interested to the field of foreign intelligence, and to the extent that they require the reporting of foreign intelligence activities on a regular basis to certain members of the Congress, I would welcome them. The public should be as free as possible from concern about the operations of our national foreign intelligence program.

The National Security Council Directives which I mentioned are currently under evaluation to determine whether an unclassified version can be written. This would help to eliminate any possible misunderstanding about the existence of a "secret charter" for CIA or the Intelligence Community. At the same time, some classified directives will be necessary to specifically implement the unclassified guidance of the open directives.

I do not view subordination to the NSC as different from subordination to the President. The NSC historically has played different roles in foreign policy and national security affairs under different Presidents. But no President in recent times has been willing to function without access to good intelligence -- whether by direct contact with appropriate agencies or through the NSC system.

The responsibilities of some of the agencies of the Intelligence Community to produce both "departmental"

and "national" intelligence are not in conflict. In fact, they are mutually supporting. The military services, for instance, have intelligence arms which provide the tactical intelligence necessary to support the operational forces. They also contribute information and analysis to those in the Community who work on "national" level problems. A study is now underway to determine how these programs can better support each other for both substantive benefit and possible resource savings.

The DCI's responsibility to "protect intelligence sources and methods from unauthorized disclosure" is basically a responsibility without authority. I do not view it as giving any authority beyond the right to call the attention of the appropriate prosecuting authority to any cases of unauthorized disclosure. In this regard I confess great concern at the absence of any effective statutes to prevent or punish the unauthorized disclosure of sensitive intelligence matters. It was only by civil action based upon his pre-employment secrecy agreement that an ex-employee was prevented from revealing a number of delicate matters in a book which he had written. (U.S. vs. Marchetti, 466 F. 2d 1309, 1316). This decision is being tested again.

Aside from this particular weakness of the statutes, I see no need for particular new authority to carry out an effective intelligence program. The "services of common concern" mandate in the current law is adequate, though of course there are always minor negotiations between agencies about the kind and quality of service to be performed.

You have asked whether section 102 (d) (5) of the National Security Act, which provides that the CIA shall perform such other functions and duties related to intelligence affecting the national security as the NSC may from time to time direct, is too broad and open-ended. This is currently being considered in Congress. I would offer that this provision has been used only when specifically directed by the NSC under Presidential authority, that every President since 1947 has used it, and that the shape of the world today seems to require its use much less often than in the more critical of the cold war years. I do not believe that this weapon should be lightly discarded from our national arsenal.

Section 102 (e) of the 1947 Act, which gives the CIA the right to see the foreign intelligence of all of the departments

and agencies, is a key factor in molding a group of intelligence agencies into a community. Without that right, there could be no single source of intelligence advice which accounted for the variety of available facts, and the policymaker would be buried in a confusion of uncorrelated reports and analyses about major problems and events.

(2) Requirements

The principal customer of our national intelligence program is, of course, the President. But his key advisors and officers need also to be informed (i.e., the Assistant to the President for National Security Affairs, the Secretaries of State, Defense, Treasury, and so on). Their requirements are a compilation both of their expressed needs and of the Intelligence Community's judgment about what they might need.

There are a variety of techniques for refining such requirements. The USIB and the DCI have established and continually review a formal list of relatively constant major requirements. Crisis requirements are generally conveyed to the proper action arm of the Community as a result of my participation in the Washington Special Action Group (WSAG) which meets regularly and keeps me informed of activities which might benefit from intelligence support.

In non-crisis situations, requirements for information come to the Intelligence Community in a wide variety of effective but not necessarily orderly ways. On a daily basis, policy-oriented analysts are in contact with intelligence analysts and make their needs known in that context. Through the requirements staffs of each intelligence agency, collection components can be tasked. Formal requests for specific facts or analyses also come by letter or telephone from USIB principals, Cabinet members, and the NSC/National Security Advisor level. Policymaker feedback to the Intelligence Community on intelligence problems below the first level of priority, or in non-crisis situations, generally does not give a clear enough signal about how much collection and analytical effort the Intelligence Community should expend on a specific subject. The Community tasks itself when this is the case.

(3) (12) Performance and Resources, Budgets

The DCI has no authority to determine the budget and manpower needs of the various agencies in the Intelligence Community. Each component goes through an independent program and budget development process (in the case of State and DOD intelligence programs there are department-wide guidances and constraints which apply apart from intelligence considerations). Each component has an independent review by the OMB. Each component receives from the Congress an appropriation which is under its full control. The program proposed by each component to the Congress is reviewed, however, by the Intelligence Community (IC) Staff of the DCI. From IC staff suggestions, IRAC deliberations, and USIB requirements, the DCI formulates his National Foreign Intelligence Program Budget Recommendations for the President.

The major resource problem facing the Community is inflation; first in manpower costs, but in all other aspects of our profession as well. The problem can be stated in this way:

a. assuming level manpower, level program size, and continued inflation, the resources for intelligence would have to increase by nearly 25 percent by 1978. This alternative would be unacceptable to the Congress.

b. assuming level dollars, a level program, and inflation offset by manpower reductions, a 40 percent cut in manpower would be required by 1978. The Community could not take such a cut and continue to meet its obligations.

c. assuming level dollars, level manpower, and continued inflation, there would have to be a drastic and unacceptable cut in our investment in technical systems for the future and in procurement.

The solution to the dilemma posed above lies in the hands of the President and the Congress. We can help by

reducing our breadth of coverage -- by keying on the most important issues and cutting activities and area coverages which do not contribute directly to the resolution of the highest priority problems. It is the job of the DCI to advise the government as to what constitutes a sufficiency of resources -- in dollar terms, in terms of the systems the dollars will support, and most importantly in terms of major substantive need.

(4) Evaluation

Evaluation of the performance of the Intelligence Community is a relatively untapped field. For years evaluative efforts have been made within the Community itself, but as I have suggested above, we have not had a strong standard of pre-established user requirements against which to measure ourselves. As a consequence, measurements of effectiveness have usually been taken during or following some crisis which might or might not have been of prior concern to policymakers. Our reviews under such circumstances have been mixed. At the same time, on such "constants" as SALT verification and MBFR support we would get high marks.

I have asked my Intelligence Community Staff to concentrate heavily on the development of a method to evaluate our performance. I hope to establish standards and to have regular measurement of the effectiveness of all aspects of the profession underway within a year:

(5) Other Intelligence Activities

Foreign counterintelligence activity is designed to protect the U.S. government and the private sector from penetration or manipulation by the intelligence services of other countries. It is our defensive arm, and in this respect it is an important adjunct to the conduct of foreign policy.

In general, intelligence activities in support of operational military forces are subject to direction from the Joint Chiefs of Staff (JCS) and the Unified and Specified Commanders in the field. The information collected by these activities is of use mainly to the forces in the field. It

updates their contingency planning for war and affects their state of readiness. There is some spin-off value to foreign policy intelligence needs from these activities, however. This is particularly true, for example, during negotiations for peace, for detente, and in the MBFR context. Data provided by some basically force-related systems becomes part of a larger data base used by analysts who must furnish background to negotiators.

(6) Special Programs

The cryptologic programs of the various agencies are coordinated by the National Security Agency (NSA). Each of the military service cryptologic agencies receives a budget to support a program which it plans in response in two sets of guidances -- one essentially related to support of the operational forces, and the other designed to satisfy "national" needs. The Director of NSA is responsible for technical direction and support to the service cryptologic agencies, for the tasking of those agencies for national level objectives, and for the production of cryptologic intelligence in support of national security and foreign policy objectives.

In general, other advanced technological collection programs are managed jointly by the DCI and the Secretary of Defense. Naturally there is concern for both substantive requirements and resource constraints.

Studies are now underway to determine the degree to which it is possible for intelligence-related technical collection systems to support similar but non-intelligence information needs elsewhere in the government. In the past some systems, such as the U-2 aircraft, have been used to support snowpack studies in the American west and to photograph hurricane, earthquake and flood damage for national emergency relief and economic planning purposes.

(7) Reports and Estimates

Virtually all of the major questions of concern to American foreign policy today involve political, economic,

military and other factors. It is essential for good intelligence assessments to reflect this variety. In the past, the ultimate analytical medium was the National Intelligence Estimate. In recent years there have been a variety of other NSC-inspired forms which also required the best analysis. In an effort to account for this change and to make the intelligence process which I described earlier more responsive to policymaker information requirements, I have recently established a new group of "National Intelligence Officers" (NIOs) for specific subject areas. Their job will be to enlist all elements of the Intelligence Community in the development of the best possible assessments of the intelligence questions facing the government. I have instructed that Community reports and estimates be independent of policy pressure and objective in tone and content. They will also incorporate minority or adverse views when these exist.

I do not believe that agencies should handle research and analysis entirely apart from collection and operations, or in ignorance of the policy formulation and implementation process. If anything, the interdependence of policymaking, analysis, and collection should be increased so that collection and analysis are focused more precisely on user needs and profit more from user experience. Foreign policy and national security concerns arise in a dynamic environment -- one in which collectors and decisionmakers are active. To divorce analysis from this environment would reduce and slow its flow of information and minimize its utility. At the same time, control over the substantive content of analytical responses to policy questions should not be vested in the policymaker except with respect to substantive requirements and the timing and format of responses. From time to time analysts remind policymakers of this distinction.

(3) Emerging Needs

Any answer to this question must, of course, be given in classified testimony. It is clear, however, that the intelligence questions facing our nation in the 70s are different from those of the more extreme days of the Cold War. New needs are arising which require intelligence support

in the fields of economics, narcotics, and international terrorism. These new needs are reflected in the overall guidance being developed for the Community.

(9) Oversight and Accountability:

The DCI is responsible in detail to the authority of four committees of the Congress -- the two Armed Services Committees and the two Appropriations Committees -- under the rules established in each House. In addition, he provides regular substantive briefings to a number of other committees. In the Executive Branch, he is responsible for substantive matters to the National Security Council and the President, and for budget and management matters to CIA and the President. He is responsive to the substantive requirements of the Secretaries of State, Defense, and other agencies with foreign intelligence interest, and the activities of the Intelligence Community are subject to their evaluation. All activities in which CIA and the rest of the Intelligence Community engage are subject to review in detail by the President's Foreign Intelligence Advisory Board.

As the Chairman of the Armed Services Committee said in 1949 when he reported to the Senate the Central Intelligence Agency Act,

"Our will perhaps be the only Government having a law providing for such an activity. Other governments simply appropriate a disguised sum of money, without any authority of law, to handle the matter through some government official. We are writing the whole law out....We are not doing what other countries do. We are throwing every possible democratic safeguard around it as we go along."

In testimony during my confirmation hearings, I indicated that it is for the Congress to decide whether there should be legislative changes in the authorities over foreign intelligence activities. It is a persistent dilemma for the government to determine to what degree the public

should be informed about intelligence activities. The policy of the Intelligence Community is to be as forthcoming as possible while protecting the basic elements of secrecy which are necessary if we are to be effective.

(10) Controls

All intelligence operations stem from a variety of authorities. The NSC's "Forty Committee" controls foreign operations. By Presidential letter the Ambassador has overall authority over operations in the country to which he is posted. He is kept aware of operational activity in his country.

(11) Personnel

There are no cross-Community personnel procedures over which the DCI has control. The individual components of the Community establish their own professional criteria. In testimony at my confirmation hearings I included a report on CIA's recruitment activity (see pages 185-186). While improvements can be made, there are no special legislative needs at this time.

In answer to the second part of your question, let me say that I believe that compartmentation is not a serious restraint upon the exchange of ideas within the Intelligence Community. Usually "compartments" are used to protect sources and methods rather than facts themselves. Need-to-know is the guiding factor in the protection of information. Those who work on a problem at the highest level have ready access to information they need. They must only show that the kind of information which they seek is key to their analysis, and that their project will be used by a policymaking level sufficiently high to warrant the inclusion of compartmented intelligence.

(13) Overseas Establishment

Control and coordination of foreign intelligence activities overseas is not a serious problem. The Ambassador is charged by the President to direct and coordinate the activities and operations of all elements at his mission. He actively directs overt information collection and reporting activities. Subject to his authority, the senior CIA

representative in a foreign post is responsible for the coordination of other foreign intelligence activities there.

With very rare exception, close and effective relationships exist between all members of the country team. If there are problems which are particularly difficult to resolve in the field, they are worked out in Washington. The question of effectiveness in the field is under constant evaluation at the agency, Community, and user level. Coordination, however, is not a major problem with respect to the effectiveness of foreign intelligence activities.

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The Honorable Clement J. Zablocki
House of Representatives

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The Honorable William S. Maillaire
House of Representatives

F-18

Dr. Stanley P. Wagner
President, East Central State College
Ada, Oklahoma

Dr. Arend D. Lubbers
President, Grand Valley State College
Allendale, Michigan

Appointed by the President

The Honorable Robert D. Murphy - CHAIRMAN
Corning Glass International
New York, New York

The Honorable William J. Casey
Under Secretary for Economic Affairs
Department of State

Mrs. Anne Armstrong
Counsellor to the President
White House

Dr. David M Abshire
Chairman, Center of Strategic and International St
Georgetown University

Francis O. Wilcox is the Executive Director of the Commission
and Fisher Howe the Deputy Executive Director. Former Senator
William B. Spone, Jr. is General Counsel to the Commission

The Commission will have its offices at 1016 - 16th Street
Washington, D.C. 20005

F 18

COMMISSION ON THE ORGANIZATION OF THE GOVERNMENT

FOR THE CONDUCT OF FOREIGN POLICY

The Foreign Relations Authorization Act of 1972 (PL 92-357, July 13, 1972) established a study commission to submit to the Congress and the President findings and recommendations "to provide a more effective system for the formulation and implementation of the nations foreign policy".

In describing the duties of the Commission the law states that "the Commission shall study and investigate the organization methods of operation, and powers of all departments, agencies, independent establishments, and instrumentalities of the United States government participating in the formulation and implementation of United States foreign policy." In carrying out its responsibilities the Commission may make recommendations with respect to the re-organization of the departments and agencies, more effective arrangements between executive branch and Congress, improved procedures among departments and agencies, the abolition of services, activities and functions not necessary to the efficient conduct of foreign policy, and "other measures to promote peace, economy, efficiency and improved administration of foreign policy."

The report of the Commission, which is to be submitted by June 30, 1975, may include "proposed constitutional amendments, legislation, and administrative action considered appropriate for carrying out its duties." The Commission, in performing its responsibilities, is authorized to hold hearings, subpoena witnesses and secure directly information from any executive department or agency.

The Commission is composed of twelve members, four each to be appointed by the President of the Senate, the Speaker of the House and the President. The members are:

Appointed by the President of the Senate

The Honorable Mike Mansfield
United States Senate

The Honorable James B. Pearson - VICE CHAIRMAN
United States Senate

Mrs. Charles W. Englehard, Jr.
Far Hills, New Jersey

Mr. Frank C R McGlenn

COG/FP COM-1

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Public Law 92-352
92nd Congress, H. R. 14734
July 13, 1972

Foreign Rela-
tions Authori-
zation Act of
1972.

An Act

To provide authorizations for certain agencies conducting the foreign relations of the United States, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Foreign Relations Authorization Act of 1972".

TITLE VI—STUDY COMMISSION RELATING TO FOREIGN POLICY

FINDINGS AND PURPOSE

SEC. 601. It is the purpose of this title to establish a study commission which will submit findings and recommendations to provide a more effective system for the formulation and implementation of the Nation's foreign policy.

COMMISSION ON THE ORGANIZATION OF THE GOVERNMENT FOR THE CONDUCT OF FOREIGN POLICY

SEC. 602. (a) To carry out the purpose of section 601 of this Act, there is established a Commission on the Organization of the Government for the Conduct of Foreign Policy (hereafter referred to in this title as the "Commission").

(b) The Commission shall be composed of the following twelve members:

(1) four members appointed by the President, two from the executive branch of the Government and two from private life;

(2) four members appointed by the President of the Senate, two from the Senate (one from each of the two major political parties)

and two from private life; and

(3) four members appointed by the Speaker of the House of Representatives, two from the House of Representatives (one from each of the two major political parties) and two from private life.

(c) The Commission shall elect a Chairman and a Vice Chairman from among its members.

(d) Seven members of the Commission shall constitute a quorum. Any vacancy in the Commission shall not affect its powers, but shall be filled in the same manner in which the original appointment was made.

(e) Each member of the Commission who is not otherwise employed by the United States Government shall receive \$145 a day (including traveltine) during which he is engaged in the actual performance of his duties as a member of the Commission. A member of the Commission who is an officer or employee of the United States Government shall serve without additional compensation. All members of the Commission shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the performance of their duties.

DUTIES OF THE COMMISSION

SEC. 603. (a) The Commission shall study and investigate the organization, methods of operation, and powers of all departments, agencies, independent establishments, and instrumentalities of the United States Government participating in the formulation and implementation of United States foreign policy and shall make recommendations which the Commission considers appropriate to provide improved governmental processes and programs in the formulation and implementation of such policy, including, but not limited to, recommenda-

Compensation.

July 13, 1972

- 9 -

Pub. Law 92-352

85 STAT. 498

(1) the reorganization of the departments, agencies, independent establishments, and instrumentalities of the executive branch participating in foreign policy matters;

(2) more effective arrangements between the executive branch and Congress, which will better enable each to carry out its constitutional responsibilities;

(3) improved procedures among departments, agencies, independent establishments, and instrumentalities of the United States Government to provide improved coordination and control with respect to the conduct of foreign policy;

(4) the abolition of services, activities, and functions not necessary to the efficient conduct of foreign policy; and

(5) other measures to promote peace, economy, efficiency, and improved administration of foreign policy.

(b) The Commission shall submit a comprehensive report to the President and Congress, not later than June 30, 1974, containing the findings and recommendations of the Commission with respect to its study and investigation. Such recommendations may include proposed constitutional amendments, legislation, and administrative actions the Commission considers appropriate in carrying out its duties. The Commission shall cease to exist on the thirtieth day after the date on which it files the comprehensive report under this subsection.

Report to
Congress;
termination.

POWERS OF THE COMMISSION

Sec. 604. (a) The Commission or, on the authorization of the Commission, any subcommittee or member thereof, may, for the purpose of carrying out the provisions of this title, hold such hearings and sit and act at such times and places, administer such oaths, and require, by subpoena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memorandums, papers, and documents as the Commission or such subcommittee or member may deem advisable. Subpoenas may be issued under the signature of the Chairman of the Commission, of any such subcommittee, or any designated member, and may be served by any person designated by such Chairman or member. The provisions of sections 102 through 104 of the Revised Statutes of the United States (2 U.S.C. 102-104) shall apply in the case of any failure of any witness to comply with any subpoena or to testify when summoned under authority of this section.

Hearings.

Subpoenas.

(b) The Commission is authorized to secure directly from any executive department, bureau, agency, board, commission, office, independent establishment, or instrumentality information, suggestions, estimates, and statistics for the purposes of this title. Each such department, bureau, agency, board, commission, office, establishment, or instrumentality is authorized and directed, to the extent authorized by law, to furnish such information, suggestions, estimates, and statistics directly to the Commission, upon request made by the Chairman or Vice Chairman.

STAFF OF THE COMMISSION

Sec. 605. (a) The Commission shall have power to appoint and fix the compensation of such personnel as it deems advisable, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates.

60 Stat. 378.

5 USC 101 et

seq.

5 USC 5101,

5331.

86 STAT. 499

80 Stat. 416.

Pub. Law 92-352

- 10 -

July 13, 1972

(b) The Commission is authorized to procure the services of experts and consultants in accordance with section 3109 of title 5, United States Code, but at rates not to exceed the daily rate paid a person occupying a position at GS-18.

EXPENSES OF THE COMMISSION

SEC. 606. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this title.

Approved July 13, 1972.

LEGISLATIVE HISTORY:

HOUSE REPORTS: No. 92-1047 (Comm. on Foreign Affairs) and No. 92-1145 (Comm. of Conference).

SENATE REPORT No. 92-754 accompanying S. 3526 (Comm. on Foreign Relations).

CONGRESSIONAL RECORD, Vol. 118 (1972):

May 17, considered and passed House.

Apr. 28, May 1, 3, 5, 9, 10, 15-18, 24, 25, 30,
31, considered and passed Senate, amended,
in lieu of S. 3526.

June 28, House agreed to conference report.

June 30, Senate agreed to conference report.

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REEXAMINING THE CONDUCT OF FOREIGN POLICY
A PROSPECTUS

William C. Gibbons
Specialist in U.S. Foreign Policy.

REEXAMINING THE CONDUCT OF FOREIGN POLICY
A PROSPECTUS

Originally proposed by Senators Fulbright and Aiken, the Commission on the Organization of the Government for the Conduct of Foreign Policy was established by P.L. 92-352, July 13, 1972, for the purpose of making "findings and recommendations to provide a more effective system for the formulation and implementation of the nation's foreign policy."

(Section 601.) The duties of the Commission (Section 603 (a)) are to study and investigate the "organization, methods of operation, and powers of all departments, agencies, independent establishments, and instrumentalities of the United States Government, participating in the formulation and implementation of United States foreign policy," and to make recommendations for improved governmental processes and programs in the formulation and implementation of such policy," including, but limited to, the following:

(1) the reorganization of the departments, agencies, independent establishments, and instrumentalities of the executive branch participating in foreign policy matters;

(2) more effective arrangements between the executive branch and Congress, which will better enable each to carry out its constitutional responsibilities;

(3) improved procedures among departments, agencies, independent establishments, and instrumentalities of the United States Government to provide improved coordination and control with respect to the conduct of foreign policy;

(4) the abolition of services, activities, and functions not necessary to the efficient conduct of foreign policy; and

(5) other measures to promote peace, economy, efficiency, and improved administration of foreign policy.

Scope and Direction Suggested by the Legislation

A careful reading of the law, and of comments by Members of the Senate and House and in the Senate report (the provision for the Commission was not in the bill as reported by the House Foreign Affairs Committee) indicates that the Commission has a broad mandate to study and to make recommendations (including proposed constitutional amendments, legislation, and administrative actions) on the organization and operations of every part or instrumentality of the executive branch which participates in foreign policymaking. In addition, the Commission is not only authorized to study executive-legislative relationships, but also would seem to be empowered to examine aspects of congressional

organization and operations with respect to foreign policy-making.

This is an unprecedented mandate, and constitutes a marked departure from the approach of previous commissions and studies, such as the Hoover Commission or the studies prepared by the Jackson Subcommittee, which focused almost exclusively on executive agencies. Such a broad systemic approach may make the analytical task of the Commission more difficult, but it may also enable it to gain a broader perspective than was achieved in previous studies and thus contribute to a better understanding of the current functioning of the foreign policymaking system as a whole, as well as in relation to its original conception as an integral system.

Another important aspect of the provision for studying every instrumentality of the U.S. Government which participates in foreign policy is that, unlike previous studies, which tended to concentrate on the State Department and the National Security Council, the present Commission is asked to consider the entirety of foreign policymaking in the executive branch. This, too, is a significant feature of the

1/ The Senate Foreign Relations Committee report refers specifically to one important congressional aspect of the general question of the conduct of foreign policy in the comment that "... in Congress, because of committees involved in the authorization and appropriations processes, there is... no one focal point for Congressional oversight." U.S. Congress. Senate. Committee

Commission's mandate, enabling it to gain an integrated view of foreign policymaking which can serve as the basis for recommending effective improvements in the system.

A third significant feature of the Commission's mandate is its authorization to study procedure and process in addition to structure and organization. Here, too, its role differs from those of previous commissions and study groups which were concerned primarily with the administrative machinery of government, rather than with the procedures and process by which policy is developed and the factors involved in decisionmaking. This could be one of the Commission's most productive areas of inquiry.

There is an additional distinguishing feature of the Commission's mandate. By contrast with previous studies, which were directed primarily toward rationalizing the policymaking process, one fundamental element of the present Commission's mandate (section 603 (a) (3)) is that of studying and providing recommendations for "improved control" over foreign policymaking, in addition to emphasizing improved coordination and more efficient administration. This, together with the strong emphasis on the importance of studying legislative-executive relationships, would seem to indicate that the Commission is required to study not only how foreign policymaking can be improved, but also how it can be more adequately controlled. Although the legislative history does not spell ou

degree of control the Department of State should have, the role of elected officials vis a vis the bureaucracy, and the roles of Congress and the Executive.

To sum up, the mandate of the Commission is based not only on the need for studying the foreign policymaking system in order to rationalize its effectiveness, but also on the need to conceptualize the system as a whole in order to arrive at a better understanding of its integral structure, and to find ways of rationalizing its effectiveness as a means of controlling policymaking in accordance with established legal and constitutional norms.

The Context of the Commission's Activity

Before discussing the lines of inquiry which the Commission may wish to pursue, it would be useful to review briefly the international context of its deliberations. This is very important in understanding developments which have given rise to a reexamination of U.S. foreign policymaking and their implications with respect to recommending improvements in the policymaking system which are relevant, realistic, and practical.

Although it is risky to project present trends, or to assume that the combination of factors which now exists will continue indefinitely, it would appear that there are basic changes occurring in the internation-

1/ decade. In view of the fact that major studies of the U.S. foreign policymaking system seem to occur at about ten-year intervals, the Commission may have reasonable grounds for assuming that its work can be predicated on a view of the future sufficient for purposes of proposing changes in the system.

The major and most apparent trend is toward a normalization of international relationships, and increasing reliance on non-coercive means of pursuing private and public objectives. Tensions between nations continue to exist and there is still a high level of military expenditures, but increased functional interdependence may produce a net tension-reducing effect. One conspicuous factor in this regard is the development of multinational economic entities which, although not a new phenomenon, are creating a transnational effect which may contribute toward greater interdependence and normalization of political

1/ See, for example, Henry Owen, ed., The Next Phase in Foreign Policy. Washington, Brookings, 1973; Alastair Buchan. Power and Equilibrium in the 1970s. The Russell C. Leffingwell Lectures, 1972. (Council on Foreign Relations). New York, Praeger, 1973 and James Chace. A World Elsewhere. The New American Foreign Policy. New York, Atheneum, 1970.

relationships. On the other hand, there appears to be increasing tension between the less developed and the developed countries, as well as certain tendencies toward economic nationalism on the part of the major trading powers. Thus, while the world may be more interdependent economically, and while some tensions have been reduced, especially between Communist and non-Communist countries, threats posed by these same economic developments may produce new tensions.

The other major trend affecting policymaking is the adjustment occurring in the international position of the United States. Although still the world's major power in terms of economic and military strength the United States is facing increasing economic competition as well as possible post-Vietnam adjustments in its approach to problems of international security.

1/ There is an important new book on the trend toward transnational relations: Robert O. Keohane and Joseph S. Nye, Jr. eds. Transnational Relations and World Politics. Cambridge, Harvard University Press, 1977. An example of the significance of this trend for foreign policymaking is the following comment, contained in a report on a recent conference on the subject sponsored by the American Foreign Service Association and the Carnegie Endowment for International Peace (mimeo, 1977 p. 2): "...the rise of new actors in world politics and increasingly pervasive and complex patterns of transnational communication change the agenda of foreign policy. The characteristic reaction of governments is to increase in size and to become more highly differentiated by function; but this, in turn, diffuses governmental responsibility. It also leads to another effect that can broadly be termed transnational: more subunits of governments interact directly in transnational networks in which joint problem-solving is emphasized. Lines of control from the top of the increasingly permeable bureaucratic pyramid become weakened or attenuated; and in the context of objective interdependence and subjective networks of influence concentration of "vertical authority" becomes even more difficult—

The effect of these trends, and of domestic support for a less-interventionist policy of normalization, is to create new and different demands on the foreign policymaking system. Thus, the Department of State, which is the center of government-to-government relationships, faces rapidly increasing transnational non-governmental functional relationships. The Department of Defense, which has grown in size and function during the Cold War and the War in Vietnam, faces role changes resulting from the end of the Vietnam War and the decline of the Cold War. The Executive Branch, having developed methods by which to generate public support for foreign policy, is faced with considerable pressure from Congress and the public with respect to the maintenance of greater democratic control over policymaking which can lead to major national commitments. The Congress itself is now reevaluating its role in foreign policymaking.

The Commission should not be expected to provide solutions to the many problems created by the changing situation, nationally and internationally, but an awareness of the changes which are occurring, and their impact on the foreign policymaking system, is a precondition to recommending improvements in the system.

Possible Lines of Inquiry

Based on its mandate, two principal lines of inquiry which the Commission could pursue are, first, the analysis of structural-functional factors, which would involve the study of organizations, their operations,

and patterns of interaction, and, second, the analysis of policymaking or decisionmaking processes. These two aspects are, of course, inextricably linked, and in order to conduct the kind of integral study which is evidently anticipated by the legislation the Commission would need to study both aspects.

I. Structural-Functional Factors -- This aspect of the total scheme of analysis is of fundamental importance in establishing the framework within which to study policymaking, as well as in providing an understanding of institutional/organizational factors in policymaking on which to base recommended improvements. Of the two aspects, this also is the one most susceptible to policy analysis, as indicated by the emphasis of previous studies of foreign policymaking, and, if the Commission were to decide to limit its scope of work, this would be the aspect on which it would probably want to concentrate.

These are some of the major problem areas which might be explored:

- (1) Role of the President's Staff in Policymaking. There is concern in Congress, as well as considerable interest among scholars,

with respect to the role of the President's staff in foreign policy-

1/

making. It is widely recognized that there needs to be a central point of review and coordination of national security policy in the office of the President. It is also recognized that the President needs to have a foreign policy staff in which he can have confidence, and a staff structure and organization which will enable him to play his role effectively. The tendency in recent years for foreign policy-making to be centered in the President's immediate staff, however, has raised a number of questions about competency, responsibility and accountability. The apparent decline of the Department of State as the principal agency for foreign policymaking has also given rise to questions about the present system, and to proposals for strengthening

2/

the role of the Department.

1/ Important studies include: I.M. Destler. Presidents, Bureaucrats, Foreign Policy. The Politics of Organizational Reform. Prince N.J., Princeton University Press, 1972; Keith C. Clark and Laur J. Lezere, eds. The President and the Management of National Security. A Report by the Institute for Defense Analyses. New Praeger, 1969; United Nations Association of the United States America. National Policy Panel. Foreign Policy Decision Making The New Dimensions, (1973); Alexander L. George. The Case for Multiple Advocacy in Making Foreign Policy. American Political Science Review vol. 66, September 1972: 751-795; Frederick C. Thayer. Presidential Policy Processes and "New Administration: A search for Revised Paradigms. Public Administration Review, September/October 1971: 552-561; John P. Leacacos. Kissinger's Apparatus. Foreign Policy, no. 5, Winter 1971-72: 3-27; and Charles W. Yost. The Instruments of American Foreign Policy. Foreign Affairs vol. 50, October 1971: 59-68.

2/ See items cited in previous footnote.

(2) Role of the National Security Council. There is also concern in and out of government about the removal of foreign policy from the traditional decisionmaking framework through the use of coordinating mechanisms as centers of policymaking, thus tending to displace functional departments as well as diminishing the confirmation and oversight roles of Congress. This problem was cited by the Senate Foreign Relations Committee as one important aspect of the state of affairs which prompted the establishment of the Commission.^{1/}

In addition, the present NSC system has been criticized for three substantive deficiencies: first, its lack of emphasis in international economic matters, which has contributed to the establishment of the International Economic Policy Council, thus further proliferating and

1/ "The interests within the Executive Branch on foreign policy issues are so broad and diverse that the traditional processes for decision-making no longer work. Most significant foreign political, military, and economic policy issues are decided through the systems set up under the National Security Council and the International Economic Policy Council, whose personnel refuse to appear before Congressional committees. A review of the legislative history of the National Security Act, which established the National Security Council, indicates that the Congress did not intend for the Council to become, as it has, the principal mechanism for the formation and direction of foreign policy. The National Security Council was established to deal with national security matters, essentially military issues, not to run the nation's foreign policy. The International Economic Policy Council does not have a statutory base but was created by administrative action.* Both of these organizations have grown in power and influence at the expense of

* It should be noted that since this report the International Economic

fragmenting the policymaking structure, and weakening even further the role of the Department of State in economic questions; second, the lack of a coordinated, unified system for resource allocation of U.S. national security expenditures for foreign affairs and military purposes; and, third, inadequate integration of political and military policy and operations.

There are also important questions with respect to NSC organization and operations. Since the creation of the Council there have been several different approaches taken to its use and management, depending primarily on the preference of each individual President. President Nixon has attempted to use the NSC as a mechanism for achieving better and more creative foreign policymaking. In his annual foreign policy report to Congress in 1970 he explained the rationale for his system.

Stating that he did not want to be "... confronted with a bureaucratic consensus that leaves me no options but acceptance or rejection, and that gives me no way of knowing what alternatives exist," he summarized his approach to the use of the Council:

1/ See for example, Harald E. Malmgren. Managing Foreign Economic Policy, no. 6; Spring 1972: 42-68; and Morton H. Halperin. The President and the Military. Foreign Affairs vol. 50, Jan 1972: 310-324.

2/ For a good discussion of these see Destler, op. cit.

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American foreign policy must not be merely the result of a series of piecemeal tactical decisions forced by the pressures of events. If our policy is to embody a coherent vision of the world and a rational conception of America's interests, our specific actions must be the products of rational and deliberate choice. We need a system which forces consideration of problems before they become emergencies, which enables us to make our basic determinations of purpose before being pressed by events, and to mesh policies. 1/

The Nixon NSC system attempts to combine policy planning and operations. The former is accomplished through a formal process of analysis and assessment of policy issues resulting in the preparation of National Security Study Memoranda (NSSMs) which discuss the issues, suggest options, and consider the long-range implications of each option. The latter is accomplished primarily through the Washington Special Action Group (WSAG), a special senior level committee chaired by Henry Kissinger, the members of which are the Director of CIA, the Deputy Secretary of State, the Deputy Secretary of Defense, and the Chairman of the Joint Chiefs of Staff.

The Nixon approach to the organization of the NSC has generally been well received, but there have been some significant reservations expressed. First, in an effort to solve the problems of bureaucratic

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in the White House and to weaken the role of the Department of State. Second, the tendency to use Assistant Secretaries of State as the primary participants in the NSSM process may have undercut the Secretary and the Deputy Secretary of State. Third, the NSSM system may have increased the incidence of bureaucratic behavior and its effects on the policymaking system, by pitting bureaucracies in a struggle for influence within the Council. Fourth, the tendency to try to manage operations within the White House NSC staff may produce distortions and mistakes in decision-making which would not occur if the bureaucracies were playing a more active role.

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Although the Commission may not be in a position to make a detailed study of NSC organization and operation, it might be desirable for it to undertake some analysis of the various approaches to the use and management of the system, the effectiveness of President Nixon's approach, and ways in which the NSC could be more effectively organized and utilized in the future.

(3) Proliferation and Fragmentation of Foreign Policymaking Resulting from A Growth of Functional Programs.

This is one of the major problems cited by the Foreign Relations Committee, which views with concern the trend toward increased par-

EXH. I^b

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...during the last quarter of a century there has been a proliferation of agencies of the United States Government with respect to the formulation, management, and conduct of, and the collection of information relating to, the Nation's foreign policy. This proliferation has resulted in the diminution of both the President's and the Congress' respective powers with respect to the formulation and implementation of foreign policy, the less effective coordination and control of such policy, the distortion of traditional policymaking processes, and the waste of the taxpayers' money through overlapping of functions and duplication of effort.

* * *

There has not only been a proliferation of agencies directly involved in foreign affairs, but there has been a corresponding growth in the amount of input in the policymaking process by non-foreign affairs agencies. 1/

This is an area in which the Commission can provide useful analysis of the foreign affairs programs and policymaking processes of "non-foreign affairs agencies," relations of such agencies with "foreign affairs agencies," including the NSC, and with Congress, and the impact of these programs and of the proliferation of such activities on the conduct of foreign policy.

(4) Factors Which Affect the Role of the State Department.

The role of the State Department is, of course, directly related to the role of the NSC staff, and thus to the staffing preferences of

the President. One former Secretary of State has noted that:

What has been occurring has not been that the White House advisers have edged the foreign office out of functions being competently performed but that they have been needed to do what is not being done anywhere to the satisfaction of the man responsible, the President. 1/

There are, however, a number of other important questions with respect to the role of the Department of State. Among these is the problem of proliferation of foreign affairs activities and staffs in other parts of the executive branch. Another is the lack of a unified foreign affairs budget for the entire U.S. Government which can provide a better basis for coordination and control over all foreign affairs programs. In addition, there is the related question of control by the State Department at the country level through the U.S. ambassador, and the criteria for and method of choice of ambassadors

(5) Limitations on the Organization and Operations of the Department of State.

Another major problem area is the combination of internal factors

which affect the performance of the Department of State, including:

a. Bureaucratic behavior patterns which tend to discourage

1/

creativity;

b. Proliferation of staff in State and its effect on command

2/

and creativity;

c. Lack of adequate functional adaptation of State in response
to new dimensions of diplomacy resulting from scientific and technological
3/
developments as well as the growth in transnational relationships.

1/ There is some excellent literature on this point, especially the Department's own study: Diplomacy for the 70's. A Program of Management Reform for the Department of State. Washington, U.S. Govt. Print. Off., 1970. (Department of State Publication 8551). See also Chris Argyris. Some Causes of Organizational Ineffectiveness Within the Department of State. Occasional Papers Number 2, Center for International Systems Research, January 1967. (Department of State Publication 8180); and Francis E. Rourke. Bureaucracy and Foreign Policy. Baltimore, Johns Hopkins University Press, 1972. (Studies in International Affairs, Number 17).

2/ See Richard Holbrooke. The Machine that Fails. Foreign Policy, no. 1, Winter 1970-71: 65-77; John W. Tuthill. Operation Topsy. Foreign Policy, no. 8, Fall 1972: 62-85; and John Franklin Campbell. The Foreign Affairs Fudge Factory. New York, Basic Books, 1971.

3/ Among others, see Harold H. Malmgren, op. cit.

1/

- d. Reduced effectiveness of policy planning; and
- e. Difficulties in applying information and systems technology to operations.

2/

(6) Problems in Executive-Legislative Interaction.

The U.S. foreign policymaking system is unique in requiring joint action by Congress and the President in certain major foreign policy decisions. But in recent years this requirement has been the source of considerable controversy and conflict as the President and Congress have clashed over the Vietnam War, and over the respective roles of the legislative and executive branches. Reestablishing cooperative relationships is essential if the system is to function effectively. It would be appropriate for the Commission to examine ways in which this could be accomplished which would respect the roles of both branches while also encouraging the development of possible new mechanisms for joint participation in the foreign policymaking process.

1/ See Zbigniew Brzezinski. Purpose and Planning in Foreign Policy. *The Public Interest*, no. 14, Winter 1969: 52-73; Charles Yost. *The Conduct and Misconduct of Foreign Affairs*. New York, Rand House, 1972, and Yost's article: The Instruments of American Foreign Policy. *Foreign Affairs* vol. 50, October 1971: 59-63. Also see the recommendations in *Diplomacy for the 70's*, op. cit. pp. 966-976.

2/ See Frederick C. Mosher and John E. Harr. Programming Systems and

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One particularly important aspect of this question is, of course, the war powers controversy. Although the Commission would do well to avoid the substantive arguments involved, it could contribute toward raising this question above partisan debate, as well as above executive-legislative debate, if it were to consider ways in which the system could be improved with respect to the making of war and of commitments which can lead to war.

Another important aspect of executive-legislative relations in foreign policymaking is the problem of information availability. If Congress is to play a role in the making of decisions, rather than merely an affirming or checking role, it must have access to the necessary information. One suggestion is that, based on the improvements in foreign policymaking which seem to have resulted from providing the White House with access to the State Department's cable traffic, ways be developed for including congressional committees in the process of information exchange between the field and Washington. ^{2/} Others have suggested a joint legislative-executive committee or council which

1/ There is a vast amount of literature on war powers, most of which concerns substantive questions. Some works on the subject also discuss procedural and organizational changes with

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could serve as a medium for making information available to Congress. Some have recommended expanding the Department of State's organization for conducting congressional relations, to provide for a corps of subject specialists in the Office of the Secretary of State whose responsibility would be to establish close joint working relationships with Congress, and to provide maximum possible information support.^{2/} These and other improvements could profitably be considered by the Commission as it seeks to explore ways in which the policymaking system can be strengthened.

A third area of inquiry with respect to the role of Congress is the possibility of further organizational adaptation within Congress which may help to improve its participation in foreign policymaking. Of the numerous proposals which have been made, one of the most recurrent is the suggestion that a joint congressional committee on national security policy be created to provide a mechanism by which Congress could seek to achieve a more integrated approach to national security problems. Such a mechanism also could serve as a point of contact with the National Security Council, or as the basis for congressional participation in the joint legislative-executive council mentioned above.

1/ See for example, President's Foreign

Case-21

II. Decision-Making Processes -- In addition to studying structural-functional factors affecting policymaking, the Commission, in order to recommend improvements in the system which are based on empirical, operational analysis, presumably will examine the policymaking or decisionmaking process. This can probably best be done through a combination of generalized studies of organizational operations and specific case studies of major decisions. Fortunately there is a growing literature on the subject which will help to make this a manageable task. ^{1/} (*An Analysis of Management*)

A particularly important series of studies is being produced by specialists at Harvard University who are examining the influence of ^{2/} bureaucratic structures on policy outcomes. These suggest a number of operational implications for foreign policymaking which the Commission will possibly want to study in connection with recommending changes in the system.

1/ Major recent studies include Joseph de Rivera. *The Psychological Dimension of Foreign Policy*. Columbus, Ohio, Merrill Publishing Co., 1968; Irving L. Janis. *Victims of Groupthink. A Psychological Study of Foreign-Policy Decisions and Fiascoes*. Boston, Houghton Mifflin, 1972; and Charles F. Hermann, ed. *International Crises. Insights from Behavioral Research*. Free Press, 1972; and George, op. cit.

2/ Graham T. Allison. *Essence of Decision. Explaining the Cuban Missile Crisis*. Boston, Little, Brown and Co., 1971. Richard E.

In addition to major studies of the policymaking process there have been a number of recent case studies of foreign policy decisionmaking which could be helpful to the Commission in its analysis of policymaking problems and its recommendations for improvements in the system.^{1/} It may not be feasible for the Commission itself to examine specific cases, but it may want to make arrangements for an analysis of the operational implications of the findings of published case studies with respect to the conduct of foreign policy.

Conclusion

With its broad grant of authority to study the form and process of the U.S. foreign policymaking system, and to propose changes which will help to make the system more efficient and effective in meeting changing international demands, while also strengthening the values and institutions on which it is based, the Commission is charged with an important mission. It is hoped that the approaches suggested in this paper will be of assistance.

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FOR THE CONDUCT OF FOREIGN POLICY

Some Questions Relating to the Work of the Commission

1. In the next two decades or so will there be predictable shifts in the international environment, or in the manner in which international intercourse is conducted, which will suggest organizational and functional changes in the U. S. Government for the conduct of foreign policy?

(normalization of relations; utilization of non-coercive means in pursuing objectives; more multinational entities; more intensive North-South rivalry; economic nationalism; more equality in national power; increased multilateral diplomacy and action.)

2. Is the organization and functioning of the Congress in foreign policy matters -- legislation, appropriations, treaties, appointment approval -- so fundamental to the effective functioning of the entire government in the foreign policy field, including the functioning of the Executive Branch itself, that only by changes on Capitol Hill will any significant overall change be possible?

- Is any change on Capitol Hill realistically possible?
- How can useful studies be undertaken on the Congress?

3. Which, or what combination, of the following possible approaches to the study commends itself to the Commission to pursue in attacking the whole problem --

A. Study of the organization for foreign policy according to structure --

- i. the Congress
- ii. the NSC and White House staff
- iii. the State Department
- iv. the military
- v. the Economic Departments
- vi. the Intelligence Community
- vii. other "non-foreign affairs agencies" with important foreign affairs interest.

B. Study according to subject matter --

i. political	vi. intelligence
ii. economic	vii. science and technology
iii. diplomatic	viii. other
iv. military	
v. cultural	

C. Study according to process --

- i. budget
- ii. personnel
- iii. planning
- iv. communications and information handling
- v. management of overseas establishments
- vi. Executive-Congressional coordination
- vii. Other

D. Study according to problem areas --

- i. domestic and foreign affairs interplay
- ii. control of the use of force
- iii. executive responsibility to respond to events within difficult time and communication restraints; difficulty in delegation of Presidential authority
- iv. multilateralism and the loss of national controls
- v. other

5. How can the Commission proceed most effectively with its work?

- Departments and agencies prepare reports and testimony of their own activities for the Commission
- What specific kinds of information should be requested from the State Department and other agencies to meet the Commission's needs most efficiently?
- Task forces of academic, business and other non-officials (possibly with some officials) to prepare comprehensive reports for the Commission, each dealing with a separate "process" or "problem" (as above). What subjects warrant task forces?
- Contract with institutions for studies on specific problem areas. What subjects?

6. Who are some people who might be helpful on task forces or as consultants in dealing with each of the foregoing areas of examination -- (academicians, journalists, businessmen, other)?
A number of names were written in this section, many of which could not be read clearly and are not legible.

CO G/F/P STAFF

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COMMISSION ON THE ORGANIZATION OF THE GOVERNMENT

FOR THE CONDUCT OF FOREIGN POLICY

Statement on the Problem

In the organization for foreign policy four principal components play a dominant role -- the State Department, The Pentagon, the White House and the Congress. Clearly many other agencies have an important stake -- Commerce, Agriculture, Treasury, the Intelligence Community, and many others. Nevertheless the four principal institutional elements largely govern and play the decisive part in the formulation of policy and the conduct of foreign affairs.

Each of these four key elements brings its own perspective to the foreign policy process.

Seen from the Pentagon, foreign affairs is an important aspect of national security in which the long term military defence of the United States is the overriding consideration. Since "absolute" security cannot be achieved "maximum" military defence is the paramount goal, and all other considerations are secondary. Strong and important political, economic, scientific and cultural programs in the foreign affairs field must be judged in terms primarily of their ultimate effect on military security considerations. The perspective of the Secretary of Defence, by the very nature of his mission, is unambiguous.

In contrast, the view of foreign affairs from the State Department is far from clear. Seen from the State Department, national security considerations are critically important components of foreign policy thinking and action but by no means the only elements. Moreover national security is a relative matter: how much national security can be achieved at what cost to other nations' interests and objectives.

For its own part the State Department holds itself responsible at once for the full range of foreign policy considerations -- military, political, economic -- and at the same time for the maintenance of peace, stability and international intercourse throughout the world. Bilateral and multinational relationships are the realities of life which every nation must live with. The preservation of the international system, and the communication among nations, must be an abiding and absorbing preoccupation of the State Department and its diplomatic representatives. Thus,

this reason even the planning function in foreign affairs and the effort to develop new international initiatives has not always found a congenial place in the State Department operation.

Still a different, and by no means clear, perspective is found in the White House. As the ultimate executive decision in foreign affairs lies with the President, so the White House -- staff for the President -- inescapably finds itself in the role of assembling and resolving the divergent positions and attitudes of the several departmental interests. Theoretically and logically the State Department should perform this coordinating, this leadership function in foreign affairs, balancing all of the interest and coordinating all of the programs of the government which look outward toward the world at large. For the most part, experience suggests otherwise. In part the State Department has, or appears to have, a political interest of its own competing or conflicting at times with the interests represented by other agencies and therefore compromising its "detached" leadership position. In part, too, the State Department, at least in recent years with the extreme complexity of problems and programs, has not been able to assert a strength and bureaucratic "clout" necessary to perform the role.

Nor is the perspective of the White House confined to this coordinating function to prepare for Presidential decision. Because the President is not only the chief executive but the political leader of the nation as well he must have a staff capable of pressing our foreign policy forward into new directions, of relating the foreign policy to the aspirations and expectations of the American people for imaginative and new programs. He will be elected because of initiative and new successes, not for maintaining old systems and old policies. Change and innovation -- even experimentation -- therefore, are inherent to the White House view of foreign policy, even as they are in some ways alien to the Department of State.

It is perhaps small wonder that the White House and the State Department often find themselves at odds and that the President becomes impatient with the "fudge factory". Small wonder, too, that the Secretary of State is torn between his conflicting responsibilities as a personal adviser to the President for foreign affairs -- i.e. with the perspective of a member of the White House staff -- and as the executive head of the Department of State.

The perspective, even the basic motivation, of the Pentagon

Relations Committee the same as, or even related to, that of the Chairman of the House Subcommittee on Appropriations for the State Department? The former acts through the constitutional authority of Congress for advice and consent on treaties, for legislative action, and for approval of appointments; the latter through the appropriations authority. And do either of these chairmen approach foreign policy problems as do the chairmen of the Military Affairs Committees, the Agriculture Committees, the Ways and Means? What do they all have in common, and indeed with their more than 600 colleagues, which can reveal not only the but the motivating forces of the institution -- Congress -- in the formulation and conduct of foreign affairs?

The foreign policy of the country is only as effective as it is representative of the will of the people of the country. Thus, at least in theory, the conduct of foreign affairs is only as viable as it is acceptable to the representatives of the people. Congress, then, is in the position of a "Board of Directors" by approving policy. It endorses the appointment of the executive other than the President -- and it oversees carrying out of policy. But Constitutionally that approving and endorsing and overseeing power is limited largely to the declaration of war, the advise and consent of treaties, the approval of appointments, the regulation of commerce with foreign nations and the appropriations funds, which authorities are largely in the hands of separate groups with different perspectives and motivations.

To seek to define the role of Congress in the conduct of foreign policy, therefore, and to search out the motivation and perspective by which "the" Congress deals with the issues of foreign affairs, is to raise searching questions:

- Does U.S. foreign policy now reflect the will of the people?
- Can the will of the people be determined and effectively brought to bear on foreign policy other than through the Congress?
- With modern technology and communications, and with the vastly stepped-up tempo of change and interchange, can foreign policy reflective of the will of the people be formulated and carried out within the time demands and the institutional limitations of the separation of legislative and executive powers?
- Is the constitutional authority over appropriations, treaties, regulation of commerce, treaties and the like,

... Can there be an effective Congressional expression of attitude or authority in the Foreign policy field given the present organization of the legislative branch?

The foregoing questions relating to the Congress and to Congressional-Executive relations, taken with the many problems which are within the executive Branch, sets forth the nature and the extent of the assignment given the Commission in its investigation of organization, methods and powers of all parts of the government in the formulation and implementation of United States foreign policy.

May 31, 1973

2 November 1973

for
STAT

MEMORANDUM FOR:

SUBJECT : Response to the Murphy Commission Letter

*new
not to
viewed
initials*

1. The attached unclassified response to the Murphy Commission letter has been agreed to by all four CIA directorates, ASD(I) staff (Al Hall will probably follow their recommendation), and State. Very minor alterations were suggested. ASD(I) staff thought it an excellent tutorial paper, and not only agreed but were "pleased with it." *NSC (P.D. 115, abm)*
2. The Commission Staff could make the best use of the statement if they received it on Monday, 5 November. They will send it to the Commissioners to study before the intelligence hearings on 19 and 20 November. The Commissioners have already received a package containing the Murphy to Colby letter of 15 October, a copy of the Colby confirmation testimony, Lyman Kirkpatrick's book The U.S. Intelligence Community: Foreign Policy and Domestic Activity, and Harry Howe Ransom's monograph "Strategic Intelligence."
3. A new issue is posed by the fact that the Commission's Deputy Staff Director, Fisher Howe, has changed signals. He has asked for a "comprehensive" classified response to the Murphy letter. This even though the Commission will have a classified transcript of the DCI's remarks, and probably a comprehensive statement from the ASD(I) and from the Director/DIA. It would be very time consuming to produce a classified response, and even more difficult to coordinate it throughout the Community. In fact, a good response could cause friction in the Community. I do not believe that the Commission staff (Fisher Howe mainly) fully appreciates the volume of information they have requested. According to Tom Reckford, Howe is worried that something will be held back if he doesn't draw a line and dig in here. For instance, he seems unwilling to accept the suggestion that a series of follow-up questions after the intelligence hearings would focus his inquiry more usefully.

4. Obviously we do not want to appear reluctant to cooperate with the Commission. I recommend that we send the attached unclassified statement by 5 November. I also recommend that we strongly urge the Commission to ask us follow-up questions, after the intelligence hearings, which are more specific than the present broadside. If we do a classified response to the Murphy letter, I think it should be based upon written contributions from the members of the Community. We should not then try to meet the 19 November deadline, but should take the time to do a careful job.



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Mr. Colby:

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You may want the attached for your 2:30

meeting with Messrs. Warner and [redacted]

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[redacted]
2 Nov 73

[redacted]

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FOR THE CONDUCT OF FOREIGN POLICY

2025 M STREET, N.W.
WASHINGTON, D.C. 20506

October 15, 1973

Mr. William J. Colby
Director of Central Intelligence
Headquarters, CIA
McLean, Virginia 22101

Dear Bill:

As Congressman Zablocki and Dean Wilcox indicated in their recent conversation with you, the Commission is looking forward to meeting with you in November. In preparing for the meeting, the Commission believes it would be especially useful to have a statement setting forth the views of the intelligence community which the members can study in advance and thus make the discussion more profitable. We hope that you will be able to assemble such a statement by the first week in November to permit its distribution to Commission members for the meeting on November 19.

To be most helpful, the statement should address all of the major elements of the national intelligence effort in support of the conduct of foreign policy. For this purpose, it is assumed -- and the Commission would like confirmation or correction of the assumption -- that this effort involves the political, economic, sociological, scientific and military affairs of foreign states, organizations and individuals and that it consists essentially of three principal elements:

- (a) the collection, evaluation and dissemination of information from the following sources:
 - open published materials
 - overt reporting
 - clandestine reporting
 - communications and electronic penetration
 - advanced technological systems
- (b) the preparation through research and analysis, and the dissemination, of studies, reports and estimates
- (c) covert action in support of policy decisions

For each of these elements, the Commission requests an outline of the present organization and procedures particularly in

respect to coordination among agencies, an identification of the principal obstacles to improved performance, and recommendations for appropriate action.

We hope the statement, in addressing the foregoing matters, will touch upon the following questions in addition to any others which you consider to be of importance:

(1) Authority. Has the National Security Act of 1947 proved to be sufficiently sound as a basic authority for the Director of Central Intelligence to fulfill his role both with respect to the coordination of intelligence for national security and for the management of the Central Intelligence Agency? In particular,

- a. what are the practical effects of subordination to the National Security Council rather than directly to the President or a department of the government? Should the system be altered?
- b. can the responsibilities "to correlate and evaluate intelligence relating to the national security" be adequately delineated from the responsibilities of departments and other agencies "to collect, evaluate, correlate and disseminate departmental intelligence"? (Section 102(d)(3))
- c. has the responsibility "to protect intelligence sources" proved workable and useful? (Section 102(d)(3))
- d. is the mandate to perform "such additional services of common concern" (Section 102(d)(4)) adequate to the needs of the intelligence community and the government as a whole? Is the mandate to perform "such other functions and duties" (Section 102(d)(5)) too broad and open-ended?
- e. has the authority to inspect intelligence of the departments and agencies (Section 102(e)) proved adequate and useful?

- (2) Requirements. Who are the principal users of intelligence in support of the conduct of foreign policy? What is the present organization and procedure for the preparation and updating of their requirements to guide the intelligence effort? Are such requirements adequate and what recommendations for improvement are suggested? How are requirements handled in crisis situations, and how can that process be improved?
- (3) Performance and Resources. In the fulfillment of these requirements is the most effective and efficient use made of the resources of the intelligence community? What is the basis for arriving at the optimum level of such resources and their distribution within the community in order to give the most effective support? What resource requirements are anticipated for the future?
- (4) Evaluation. How effective is the method of evaluating the performance of the intelligence effort in fulfilling the requirements in support of the conduct of foreign policy? What changes are recommended in this regard?
- (5) Other Intelligence Activities. What is the relationship of intelligence activities in support of military-tactical, counterintelligence, or other purposes to the intelligence activities in support of foreign policy?
- (6) Special Programs. What is the institutional mechanism for coordinating cryptological programs among the several agencies? For managing the advanced technological collection programs? How does this tie in with other government programs using similarly advanced technological systems? Is there a way to economize in this field and perhaps even produce a more effective government-wide effort?
- (7) Reports and Estimates. What is the need of the government for coordinated reports and estimates? How are such reports and estimates now produced?

Mr. William J. Colby

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What means are employed to assure that the analyses are forthright, objective, useful to policy makers at all levels of the government, and as free as possible of institutional biases? Should the research and analytical functions be handled in agencies other than those responsible for collection and operations? For policy formulation and implementation?

- (8) Emerging Needs. How is the mission of the intelligence community changing in the 1970s? What steps are being taken to adapt the intelligence effort to new demands for support in such fields as international trade, energy matters, the environment, and narcotics control?
- (9) Oversight and Accountability. What are the institutional controls through which the Executive Branch and Congress oversee activities of the intelligence community? Are they effective in making the intelligence community realistically responsive to government authorities? Does the public have a right to be better informed about the intelligence business; what improvements should be made in the process of accountability of intelligence activities to the public?
- (10) Controls. In respect to the activities and operations of intelligence which may impinge upon the conduct of foreign policy or in respect to operations designed to support specific policies, what is the system of guidance and control and is it fully adequate? What is done to assure that approving officials are fully aware of the possible consequences of a given action? What improvements in the system are recommended?
- (11) Personnel. Are the personnel procedures for CIA and other agencies in the intelligence community soundly based to recruit and sustain the professional corps necessary for the best intelligence support of the conduct of foreign policy? What steps are being taken throughout the community to mitigate the adverse effects of compartmentalization arising from security requirements in order to achieve greater cross-fertilization of ideas and personnel?

(12) Budgets. To what extent does the DCI have the authority to determine or otherwise oversee the budget and manpower needs of the various agencies in the intelligence community? Should he have greater authority in this regard? Are the present budget resources of the several components of the intelligence community adequate, excessive or insufficient for their contributions to the intelligence effort in support of the conduct of foreign policy?

(13) Overseas Establishment. What are the problems of control, coordination, and communications in overseas establishments as they pertain to intelligence? How can these establishments be made more effective and efficient?

The Commission is aware that a comprehensive response to these questions could lead to a most exhaustive study and a very lengthy report. We are hopeful, however, that while giving full attention to the important implications of the questions, you can in your report identify and emphasize the most important elements in our inquiry.

A copy of this letter is going to the Secretary of State, the Secretary of Defense and the President's Special Assistant for National Security Affairs, as members of the National Security Council, with the request that they offer whatever comments they can on the foregoing questions to assist the Commission in its study.

The Commission is most appreciative of your personal assistance and that of other components of the intelligence community in the fulfillment of our tasks.

Cordially yours,

RD

Robert D. Murphy
Chairman

cc: The Secretary of State
The Secretary of Defense
The President's Special Assistant
for National Security Affairs